COATYARN SRL General Terms and Conditions of Sale
Version: April 2025

1. Scope of Validity

1.1 All supplies and related services are performed exclusively under these General Terms and Conditions of Sale.

1.2 Any reference by the buyer to its general terms and conditions is therefore rejected. The present General Terms and Conditions of Sale shall apply to all future transactions. Any deviation from these General Terms and Conditions of Sale shall be subject to the express written acceptance of COATYARN SRL (hereinafter COATYARN SRL or Seller).

2. Offer and Acceptance

All offers of COATYARN SRL are non-binding and without obligation and shall be construed as an invitation made to Buyer to submit a binding purchase offer to Seller. The contract is concluded by Buyer's order (offer) and acceptance by COATYARN SRL. If the latter is different from the order, it shall be considered as a new non-binding offer of COATYARN SRL.

3. Product quality, samples and models; guarantees

3.1 The quality of the goods is exclusively determined by the product specifications of COATYARN SRL. Subjective requirements additional to the agreed product specifications and objective requirements are excluded.
Uses identified on the basis of the European Regulation on Registration of Chemicals (REACH), which are specific to the goods, shall neither represent an agreement on the corresponding contractual quality of the goods nor the predetermined use for this contract.

3.2 The characteristics of samples and models are binding only if they have been expressly agreed upon as elements to define the quality of the goods.

3.3 Unless otherwise agreed, accessories and instructions are not subject to contractual obligations. The instructions of COATYARN SRL are merely informative in nature and do not count as agreement on specific characteristics of the goods or their suitability for a specific use under the contract.

4. Conformity to norms and standards

Any regulatory standards, ZDHC, RSL/MRSL requirements, customer-related specifications, Customers' Purchasing conditions, Incoterms, warranties, liabilities or other compliance requirements stated by Customer or in Customer's Purchase Order shall not be considered automatically accepted by Coatyarn unless expressly agreed and confirmed in writing.

Order confirmations issued by Coatyarn are expressly subject to the commercial and technical terms agreed in writing between the parties and to Coatyarn's stated conditions, which shall prevail over any conflicting Customer's purchasing terms and requirements, all of which are subject to the Coatyarn's express written acceptance.

TPU EVOLUTION® and EVOLUTION HIGH GRIP® are OEKO-TEX® STANDARD 100, Product Class I, Annex 6 certified, whose criteria cover the applicable REACH Annex XIV and XVII requirements and textile-relevant substances included in the ECHA SVHC Candidate List, within the scope and limits of the certification.

Coatyarn guarantees compliance only with requirements expressly agreed and supported by the applicable product documentation and certifications. Any additional requirements shall be subject to prior written evaluation and acceptance by Coatyarn.

5. Advice

Any advice offered by COATYARN SRL is rendered to the best of its knowledge. Any advice and information relating to the suitability and use of the goods shall not relieve Buyer from 's obligation to perform its own checks and examinations; they do not constitute agreement on the properties or specific suitability of goods set forth in the contract.

6. Prices

In cases of significant fluctuations in the price of raw materials and/or the cost of production of the product to be supplied between the date of the conclusion of the contract and delivery, COATYARN SRL may propose the new price of the product to the Buyer. In the event of failure to agree on the new price, COATYARN SRL may terminate the contract pursuant to art. 1467 of the Italian Civil Code if the conditions are met, and the Buyer shall have the right to withdraw from the contract by sending written notice to COATYARN SRL within 14 days of notification of the price increase.

7. Application of INCOTERMS, Delivery

7.1 Delivery shall be made as agreed in the contract. Terms of business shall be interpreted in accordance with the INCOTERMS in effect on the date of entering into the contract.

7.2 COATYARN SRL shall have the right to make and invoice partial deliveries, provided that the delivered goods are usable for the Buyer according to the purpose of the contract, the delivery of the remaining goods is guaranteed, and

the partial delivery does not entail substantial additional work or expense for the Buyer (unless COATYARN SRL agrees to cover such expenses).
7.3. Delivery or due dates specified by COATYARN SRL shall always be deemed approximate and non-binding unless expressly confirmed by COATYARN SRL.

8. Freight Damage
Complaints regarding freight damage must be reported immediately by the Buyer to the freight company by forwarding a copy to COATYARN SRL within the specific time limits specified in the freight contract.
9.Compliance with Legal Provisions
Unless otherwise specifically agreed, the Buyeris responsible for compliance with all rules and regulations relating to the import, transportation, storage and use of the goods. This includes the periodic and completed conduct of all necessary trainings with respect to the handling and use of the goods (in particular, but not limited to, those trainings required European Regulation on Registration of Chemicals (REACH)).
10.Late Payment
10.1 Failure to pay the purchase price when due constitutes a material breach of contractual obligations.
10.2 In the event of non-payment by the Buyer, COATYARN SRL shall be entitled to charge interest on arrears at the rate provided for in Legislative Decree 231/2002, in force at the time the payment was due.
11. Buyer's Rights in the Event of Defects in Goods
11.1 Buyer shall immediately inspect the goods for defects upon delivery. Defects in the goods detectable in the course of normal inspections shall be reported to COATYARN SRL without delay but at least within eight days of receipt of the goods; other defects shall be reported without delay but at least within eight days of discovery. The communication must be made in writing and must describe in detail the type and the extent of the defects.
11.2 If the goods are defective and the Buyer has promptly notified COATYARN SRL thereof in accordance with the requirements of Section 10.1 the Buyer shall be entitled to the rights provided by law, it being understood that:
a) COATYARN SRL shall have the right to choose whether to eliminate the defect or to supply the Buyer with defect-free goods.
b) COATYARN SRL reserves two post-performance attempts on the basis of (a). Should they fail, or be unacceptable to Buyer, Buyer may either withdraw from the contract or demand a reduction in the purchase price.
c) With regard to claims for damages and reimbursement of expenses related to a defect, clause 11 shall apply.
12. Liability

12.1 COATYARN SRL is substantially liable for damages in accordance with the regulations in force. For damages resulting from fault COATYARN SRL shall be liable independent of legal grounds in the case of intent and gross negligence. In the case of a simple culpable breach of essential contractual obligations (obligations that are of a nature crucial for fulfillment of the contract and on whose observance the contractual partner regularly relies or may rely), ad modo, the liability of COATYARN SRL shall be limited to the reimbursement of typical and foreseeable damages. In the case of a simple negligent breach of non-essential contractual obligations, the liability of COATYARN SRL shall be excluded.
12.2 The limitations of liability set forth in Article 11.1 shall not apply
a) to damages resulting from injury to life, body or health caused by negligence on the part of COATYARN SRL or malice
or negligence of a legal representative or vicarious agent of COATYARN SRL;
b) in cases of wilful misconduct on the part of COATYARN SRL;
c) in cases falling under a quality guarantee issued by COATYARN SRL;
d) to Buyer's claims under the Product Liability Act.
12.3 COATYARN SRL shall not be liable to the Buyer in the event of impossibility or delay in the fulfillment of its supply obligations if the impossibility or delay arises from proper compliance with regulatory regulations
or legal obligations related to the European Chemical Regulation REACH to which the Buyer is bound.

13. Limitation period

13.1 The limitation period for claims due to material and legal defects is one year from receipt of the goods. In the event that the parties have agreed on an acceptance, the limitation period begins with the acceptance.
13.2 The limitation period for claims based on contract and/or tort is one year from the beginning of the statutory limitation period.
13.3 Contrary to the provisions of Articles 13.1 and 13. 2, the statutory period of limitation applies in the following cases:
a) claims relating to buildings or in connection with property that can be used to construct buildings and that have caused the defect in the building;
b) if the defect affects a real right of a third party or a right registered in the land register;
c) in the case of special statutory rules regulating the period of limitation;
d) in the case of intent and gross negligence;
e) In the cases listed in Article 11.2 (a) and (d).

14. Offsetting

The Buyer may set off claims only in the event of an uncontested counterclaim, i.e., settled by a final decision.

15. Guarantees

In the event of justified doubts as to the solvency of the Buyer, and in particular in the event of default by the Buyer, COATYARN SRL, subject to further claims, may

revoke previously agreed payment terms and make further deliveries dependent on advance payments or the granting of other guarantees.

16. Force Majeure

If an event or circumstance the occurrence of which is beyond the normal control of COATYARN SRL (including natural events, wars, strikes, lockouts, shortages of raw materials and energy, obstacles in transportation and breakdown of production facilities, cyber attacks, fires, explosions, epidemics or pandemics - regardless of whether they are officially declared as such by WHO - measures by the authorities) is such as to reduce the availability of goods from the facility from which COATYARN SRL receives the goods so that COATYARN SRL cannot fulfill its contractual obligations (taking into account as a proportional basis other supply obligations), COATYARN SRL shall (i) be relieved of its obligations on the basis of this contract to the extent of the impediment to the fulfillment of such obligations and (ii) shall have no obligation to procure the goods from other sources.

The first sentence shall not apply to the extent that such incident or circumstance makes performance contractual commercially unviable for COATYARN SRL for a long period of time or happens to COATYARN SRL's suppliers. Should the aforementioned events continue for a period longer than 3 months, COATYARN SRL shall have the right to withdraw from the contract without the Buyer being entitled to any compensation.

17. Place of payment

Regardless of the place of delivery of the goods or documents, the place of fulfillment of the Buyer's payment obligation is the registered office of COATYARN SRL.

18. Data Protection and Information Security

18.1 In the event that the Buyer, in the performance of the contract, receives or obtains, from COATYARN SRL or third parties, personal data relating to employees of COATYARN SRL (hereinafter referred to as Personal Data), the following provisions shall apply. If the processing of Personal Data disclosed as set forth above does not occur on behalf of COATYARN SRL, the Buyer shall be authorized to process such Personal Data only for the purpose of 'execution of the relevant contract. The Buyer shall not be authorized, unless permitted by applicable law, to process Personal Data and in particular to disclose and/or analyze for its own purposes and/or profile such Personal Data. This provision also applies in the case of anonymous data. The Buyer warrants that Personal Data will only be accessible to employees of the Buyer who have a need to know it for the purpose of the execution of the contract (principle of necessity). The Buyer will set up an appropriate internal organization to ensure compliance with current legislation on the processing of Personal Data. In particular, the Buyer will take appropriate technical and organizational measures to ensure a suitable level of security with respect to the risk of misuse and loss of Personal Data.

The Buyer will not acquire ownership or other rights to the Personal Data and will be obligated under applicable laws to correct, delete and/or circumscribe the processing of the Personal Data. Any right of retention of Buyer with respect to the Personal Data is excluded. In addition to the legal obligations, the Buyer shall inform COATYARN SRL in the event of a breach of Personal Data and in particular in the event of loss, without delay and in any case within 24 hours from the knowledge of the breach. After termination of the relevant contract, the Buyer shall, in accordance with applicable law, delete the Personal Data, including any copies.

18.2 More information on data protection in COATYARN SRL is available at the following address:
https://commission.europa.eu/law/law-topic/data-protection_en

17.3 Regarding the placing of electronic orders by the Buyer, COATYARN SRL provides only the respective interfaces.

The Buyer must treat the provided access data (username and password) with care. In case of loss or unauthorized access to these access data, the Buyer shall immediately inform COATYARN SRL. The Buyer shall be liable to COATYARN SRL for any damages resulting from late notification to COATYARN SRL of such loss or unauthorized access.

19. Jurisdiction

For any dispute arising in connection with this contract or otherwise related thereto, the court of the place where COATYARN SRL has its registered office shall have exclusive jurisdiction. COATYARN SRL shall have the right to sue the Buyer before said elected court or before the court of the Buyer's registered office.

20. Applicable Law

The contractual relationship shall be subject to Italian law, excluding the application of international conflict of laws rules and excluding the rules of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG).

21. Contract Language

Should these General Terms and Conditions of Sale also be made known to the Buyer in a different language in addition to the language chosen for the drafting of the sales contract (Contract Language), this would be done solely for the benefit of the Buyer. In case of differences in interpretation, the version drafted in the Contract Language will be the binding version.